



KEL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

FORM OF PROXY FOR THE SPECIAL GENERAL MEETING TO BE HELD ON 16 APRIL, 2004

(or any adjournment thereof)

I/We¹ _____
of _____
being the registered holder(s) of ² _____
share(s) of HK\$0.07 each in the capital of KEL Holdings Limited (the "Company"), **HEREBY APPOINT³ THE CHAIRMAN OF THE SPECIAL GENERAL MEETING** (the "Meeting") or _____ of _____

to act as my/our proxy to attend and vote for me/us and on my/our behalf at the Meeting to be held at The Ritz-Carlton Hong Kong, The Harbour Room, 3rd Floor, 3 Connaught Road, Central, Hong Kong on Friday, 16 April, 2004 at 11:00 a.m., or any adjournment thereof, for the purpose of considering, if thought fit, passing with or without modifications, the proposed resolutions as set out in the notice convening the Meeting as hereunder indicated, and, if no such indication is given, as my/our proxy thinks fit and on any other resolution properly put to the Meeting.

RESOLUTIONS		FOR ⁴	AGAINST ⁴
1.	Ordinary resolution: to approve the increase in authorized share capital		
2.	Ordinary resolution: to approve the Xin Hua Acquisition Agreement and related matters		
3.	Ordinary resolution: the issue and allotment of the Placing Shares and the Option Shares pursuant to the Placing Agreement and related matters;		
4.	Ordinary resolution: the Penmark Acquisition Agreement and the related matters		
5.	Ordinary resolution: the Subscription Agreement and the related matters		
6.	Ordinary resolution: the Kenworth Disposal Agreement and the related matters		
7.	Ordinary resolution: to grant a general mandate to the directors to purchase the Company's shares		
8.	Ordinary resolution: to grant a general mandate to the directors to issue, allot and otherwise deal with the Company's shares		
9.	Ordinary resolution: to add the nominal amount of the shares repurchased by the Company to the mandate granted to the directors under resolution no.7		

Dated: _____

Signature(s)⁵ _____

Notes:

1. Full name(s) and address(es) to be inserted in **BLOCK CAPITALS**. The names of all joint holders should be stated.
2. Please insert the number of shares of HK\$0.07 each in the capital of the Company registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to all the shares in the Company registered in your name(s).
3. If any proxy other than the Chairman of the Meeting is preferred, delete words "**THE CHAIRMAN OF THE SPECIAL GENERAL MEETING** or" and insert the name and address of the proxy desired in the space provided.
4. **IMPORTANT: IF YOU WISH TO VOTE FOR THE RESOLUTIONS, TICK IN THE BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST THE RESOLUTIONS, TICK THE BOX MARKED "AGAINST".** Failure to tick a box will entitle your proxy to cast your vote at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the Meeting (or any adjournment thereof) other than those referred to in the notice convening the Meeting.
5. This form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be either executed under its common seal or under the hand of an officer or other person duly authorized.
6. To be valid, this form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong at Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or adjourned Meeting.
7. Where there are joint holders of any share of the Company, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the Meeting, personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
8. The proxy need not be a member of the Company but must attend the Meeting in person to represent you.
9. **ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALLED BY THE PERSON WHO SIGNS IT.**
10. Completion and deposit of this form of proxy will not preclude you from attending and voting at the Meeting if you so wish. In the event that you, having lodged this form of proxy, attend the Meeting, this form of proxy will be deemed to have been revoked.